



State of Utah
Department of
Natural Resources

MICHAEL R. STYLER
Executive Director

Division of
Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Mike Davis
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0410002
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, March 07, 2007
Start Date/Time:	3/7/2007 10:05:00 AM
End Date/Time:	3/7/2007 2:10:00 PM
Last Inspection:	Thursday, February 15, 2007

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, warm; 40's to 50's F.

InspectionID Report Number: 1232

Accepted by: whedberg
4/4/2007

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **SUFCO MINE**

Address: **397 S 800 W, SALINA UT 84654**

County: **SEVIER**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

26,766.95	Total Permitted
27.36	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee has inserted most of the surface and ground water monitoring information for the fourth quarter of 2006 into the Division electronic database "pipeline". The analysis of that data is currently ongoing, prior to the required "OK to upload" notification which is sent by the Permittee to the Division. Thus, the Permittee continues to meet the Special Permit Condition which is contained in Attachment "A" of the current State permit.

There are no pending compliance actions for the SUFCO Mine permit area.

Inspector's Signature:

Date Thursday, March 08, 2007

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Permittee submitted a Permit renewal application to the DOGM on January 18, 2007. The DOGM notified the Permittee on January 29, 2007 that the application had been determined to be administratively complete. The current State permit will expire on May 20, 2007. The Permittee recently submitted (February 20) an application to the Division (Task ID #2756) for a Lease Area Relinquishment. Mr. Davis indicated that this lease area has not been undermined, as it is adjacent to the sand channel in the north end of the Pines Tract.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The Permittee conducted the fourth quarter 2006 impoundment inspections for the Mine site sediment pond and the waste rock site sediment pond(s) on December 27, 2006. There were no signs of instability or other hazardous conditions noted during the Permittee's inspection. Similarly, there were no issues noted during today's inspection. The Mine site pond continues to receive water from the operational pad area. Much of the snow on the waste rock pile has melted; the waste rock ponds contain this melt water.

4.d Hydrologic Balance: Water Monitoring

The Permittee submitted a mitigation plan for the North Water Spring and Joes Mill Pond area to the Division on January 26, 2007. The USFS and the Emery Water Users have also received this document. There was no flow observed in Link Canyon Creek this day. Any snow melt which is occurring appears to be absorbed directly into the soils.

7. Coal Mine Waste, Refuse Piles, Impoundments

The fourth quarter 2006 waste rock pile inspection for the SUFCO site was conducted on December 27, 2006. There were no signs of structural weakness, or other hazards noted by the Permittee's qualified representative. Lift thicknesses are established at 18 to 22 inches. Noncoal waste was not visible in the current lift, which had been spread and compacted. The current lift is very close to maximum height. Mr. Davis anticipates beginning construction on the new lift in the spring, or as soon as the soil moisture conditions improve. Mr. John Byers, P.E., and Manager of Tech Services for the Permittee certified the fourth quarter inspection report on December 27, 2006. There were no compliance issues noted during today's DOGM inspection.

9. Protection of Fish, Wildlife and Related Environmental Issues

The Permittee intends to conduct the 2007 raptor survey during May.

14. Subsidence Control

Mr. Davis is working on the 2006 Annual Report for the SUFCO Mine, which will contain the annual subsidence report prepared by Mr. Jon Black. Annual reports are normally required by March 31.

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18. Support Facilities, Utility Installations

The Permittee continues to work on the retrofitting / upgrading of the main electrical substation. The Link Canyon facilities were accessible this day. No compliance issues were noted.

19. AVS Check

The Permittee (via Ms. Vicky Miller, Environmental Specialist for CFC @ Dugout Canyon Mine) recently submitted revised and updated Chapter One, Ownership and Control information for all of the Canyon Fuel Company sites (Task ID #2747). The Division approved this revised and updated information on February 22, 2007.